

JUDGE DAVID GUADERRAMA

UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF TEXAS

CIVIL CASE NO. _____

2016 MAY -1 PM 4:18

BEATRIZ HUML, ON BEHALF OF THE UNITED STATES OF AMERICA, CLERK COURT
WESTERN DISTRICT OF TEXAS

PLAINTIFF/ RELATOR

BY _____
DEPUTY

FILED UNDER SEAL

JURY TRIAL DEMANDED

V.

THE STATE OF TEXAS IN ITS CAPACITY AS A MEMBER OF THE JOINT
STATE-FEDERAL MORTGAGE SETTLEMENT TASK FORCE

DEFENDANT

QUI TAM COMPLAINT

EP 15 CV 0126

"We cannot have a just society that applies the principle of accountability only to the powerless and the principle of forgiveness to the powerful."

— Christopher Hayes, *Twilight of the Elites: America After Meritocracy*

I.

Comes now RELATOR BEATRIZ HUML who brings this "Qui Tam" action (hereinafter the "action") in the name of Texas homeowners and the United States of America, by and through her attorney Richard A. Roman and alleges as follows.

II.

SUMMARY/ INTRODUCTION:

This Qui Tam action is brought by Relator Beatriz Huml on her own behalf, on behalf of the United States of America and other individuals (homeowners) similarly situated against Defendant, a participant in the state attorneys general collectively comprising the plaintiffs in the so-called 49-state National Mortgage Settlement a/k/a "Joint State-Federal Mortgage Settlement". This consortium of states successfully sought homeowners' redress against 5 nationally chartered banks and mortgage servicers for,

FORMER JUDGE OF THE 346TH DISTRICT COURT
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April 29, 2015

Attorney General of the United States
The Honorable Loretta Lynch
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530-0001

US. Attorney's Office
Western District of Texas
Richard L. Durbin, Jr. Acting United States Attorney
601 NW Loop 410, Suite 600
San Antonio, Texas 78216

U.S. Attorney's Office
Jose Luis Gonzalez, City Chief
700 E. San Antonio, Suite 200
El Paso, Texas 79901

The Honorable Ken Paxton
Office of the Texas Attorney General
PO Box 12548
Austin, TX 78711-2548
Fax (512) 475-2994

**Re: Beatriz Huml v. The State of Texas in its capacity as a member of the
"Joint State -Federal Mortgage Settlement Task Force" /
Federal False Claims Act Notice and Disclosures pursuant
to 31 U.S.C. § 3729 et seq..**

Dear General Lynch, Mr. Durbin, Mr. Gonzalez and General Paxton:

Please accept this letter as formal notice pursuant to 31 U.S.C. § 3729, et seq., of an action being brought by Relator Beatriz Huml on behalf of the United States of America and other similarly situated Texas homeowners against The State of Texas in its capacity as a member of the "Joint State-Federal Mortgager Settlement Task Force".

The action complains of that 49-state attorneys general National Mortgage

Settlement a/k/a "Joint State-Federal Mortgage Settlement" which obtained relief for homeowners harmed by "illegal or wrongful foreclosure practices" by defendant banks and mortgage servicers. The lead attorney general for the task force was then-Texas Attorney General Greg Abbott. The Honorable Ken Paxton is now Texas Attorney General.

This complaint alleges that settlement proceeds were illegally and wrongfully diverted to the detriment of the intended recipients. Indeed, without harmed homeowners, there would be no settlement. None of the member states would have received any settlement funds.

The State of Texas unjustly enriched itself by allowing a disingenuous legislative enterprise victimize and deprive deserving homeowners. The Texas Attorney General is charged with protecting its citizens. Texas homeowners were supposed to be "made whole" by the settlement. Instead, they were unmercifully pillaged. Through this scheme the State of Texas benefitted from an enormous profit, yet never suffered injury or harm, and was never foreclosed upon and then evicted.

Precedent exists for this action.

A criminal indictment against a former Texas governor alleging abuse of office and so forth is going forward in a state court. Having survived aggressive challenges for dismissal, the indictment states that this type of governmental executive action is, contrary to conventional notions, illegal and unconstitutional.

Finally, the complaint documents how El Paso Courts may have been subjected to "forum shopping" by large banks, loan servicers and their counsel. For example, evidence reflects that at least 3 multimillion dollar lawsuits were filed and settled in a rare, incredible and miniscule amount of time by The Texas Attorney General's El Paso Office as lead plaintiff negotiator in El Paso courts. The complaint also reflects disdain and contempt for the El Paso Judiciary.

Attached hereto is an index of required disclosures (Exhibits).

Thank you


Richard A. Roman
on behalf of Relator Beatriz Huml

RAR: sa
Enclosures

EXHIBITS

1. Indictment for Texas Governor
2. (a) Huml Substitute Trustee Deeds
(b) and other Huml information
3. 171 District Court "robosigning" power point
4. National Mortgage Settlement announcement
5. State Attorneys General Task Force member list
6. National Mortgage Settlement Summary
7. Texas Attorney General litigation Exhibits
 - (a) "Texas v. AHMI" - discussion of disbursement of settlement fees
 - (b) same as a above
 - (c) "Texas v. LPS" filed-stamped and settled on same day
 - (d) "Texas v. Wells Fargo" - "Assurance"
 - (f) "Texas v. Countrywide" filed and settled in 1 week
8. Docket sheets for "forum-shopped" Texas cases
9. 2013 Texas Legislature "riders"
10. Texas Comptroller of Public Accounts email on appropriations from Judicial Fund
11. Nature of Defendant's Scheme

SCHEME

1. **Marking of the inception of the timeline:**

In 2012 a task force comprised of 49 state attorneys general announced it successfully negotiated a settlement to benefit aggrieved homeowners. The nation's five largest banks agreed to a 2.5 billion dollar settlement on charges of "fraudulent foreclosure practices, etc" .

2. **A list of potential witnesses:**

See witness list.

3. **Recitation of how homeowners may have been harmed, the legal authority for claims that defendants actions are illegal, false and applicable regulations:**

The State of Texas' portion of the \$2.5 billion (in direct state payments) was 134 million. Texas reportedly received the third largest of all state payments. The reason provided was because of the "extent of the damage Texans homeowners suffered". Texas homeowners were given the false impression by the Texas Attorney General's Office that relief was forthcoming. It was diverted. This is a violation of the federal false claims act.

4. **Falsity of the defendants actions and how the Relator discovered this:**

True homeowner relief was never provided. The scheme used by Texas to divert settlement funds (124 million into the Texas General Fund and 10 million into the Texas Judicial Fund) was discovered through open records requests.

5. **Actions Relator has taken to expose the illegal diversion:**

Texas Assistant Attorney General Daross explains how and when Texas' funds were diverted. Relator learned about this first hand through her own litigation and files the instant complaint.

POTENTIAL WITNESSES

Texas Attorney General's Office

1. Greg Abbott
2. Daniel T. Hodge
3. John Scott
4. Tommy Prud'homme
5. James A. Daross
6. Richard L. Bischoff
7. C. Andrew Weber
8. Jeff L. Rose
9. Paul D. Carmona
10. Rosemary Donnelly

Texas v. American Home Mortgage Servicing, Inc.

8. Eric Spett, General Counsel
9. Robert Mowrey, Locke Lord law firm

Lender Processing / LPS Default Solutions / "DOCX, LLC"

10. Todd C. Johnson
11. Melanie Ann Hines
12. Berger Singer Mann, LLP
13. Chris Allen Dickstein Shapiro, LLP

Texas v. Wells Fargo

14. Michael L. Hurd


Texas v. Countrywide

15. Paul Love, Locke Lord law firm
16. James Davis, Locke Lord law firm

Others:


17. Robert Hossfeld
18. Beatriz Huml
19. Beverly Mitrisin
20. El Paso County Judge Veronica Escobar
21. El Paso County Auditor Edward Dion
22. El Paso Council of Judge Administrator Mike Izquierdo
23. State Senator Jose Rodriguez (29-Texas)

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